

30 April 2007
Final Results

30 April 2007
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Finance Ireland Plc
("Finance Ireland" or "the Group")

Audited Final Results for the Six Months Ended 31 December 2006

Finance Ireland Plc (AIM: FIRE), the holding company for Shared Home Investment Plan Plc ("SHIP"), a leading Irish provider of equity release products to the over 60s, is pleased to announce its audited final results for the six months ended 31 December 2006.

Highlights:

- Interest income of €620k (year ended 30 June 2006: €90k)
- Lifetime mortgage loans totalled €26.2m at year end (30 June 2006: €10.6m)
- Net book value of home reversion interests of €7.4m (30 June 2006: €6.9m)
- Announced joint venture with Investec Holdings (Ireland) Limited to launch a specialist mortgage lender for the non-standard mortgage market in Ireland called Nua Homeloans Limited ("Nua Homeloans")
- Acquired additional reversionary interests in 45 residential properties through the purchase of S.H.I.P. Property Trading (One) Limited, a special purpose company, for €5.5m in November 2006*
- Completed a private placing of €2.4m (Â£1.68m) of convertible loan notes in February 2007*

* Completed subsequent to the period end

Commenting on the audited results, Billy Kane, Chairman and Chief Executive of Finance Ireland said:

"The Group made excellent progress in the 6 months to December 2006 with strong growth in our Lifetime Mortgage business up to €26.2m and the addition of a further 45 reversionary interests to our Home Reversion portfolio now valued in excess of €13m.

Nua Homeloans, our Joint Venture with Investec Holdings (Ireland) Limited was launched on the 5th April and initial indications are very encouraging.

SHIP is moving to new business premises in Grand Canal House, Dublin 4 which we will share with Nua Homeloans."

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CHAIRMAN'S STATEMENT AND OPERATING REVIEW

As outlined in my previous statement issued on 12th March 2007, I now have pleasure in presenting you with the audited accounts for the six month period

ended 31st December 2006. This "short year" is to facilitate our change of financial year end from 30th June to 31st December from this date forward.

In the period, our Lifetime Mortgages generated gross interest income of €557k on advances which totalled €26.2m at year end. These products have been very well received among Mortgage Intermediaries and I am happy to report that we have now reached our target number of 180 formally registered intermediaries all of whom are authorised by the Financial Regulator to refer mortgage clients to us on a commission basis. In order to further develop both our direct and intermediary business, we have recently commissioned our first television advertising campaign, which will be broadcast in May 2007.

Our Home Reversion portfolio now amounts to holding interests in a total of 102 properties. This follows the acquisition of reversionary interests in 45 residential units through the purchase of S.H.I.P. Property Trading (One) Limited, a special purpose company, for €5.5m. The transaction was completed on 31st January 2007. Two reversionary interests were sold in the period generating a profit of €53k.

Our operating cost base has increased to €1.0m for the period but remains tightly controlled and reflects the increased number of staff to 10 in the period.

Nua Homeloans, our joint venture with Investec Holdings (Ireland) Limited, is now operational and working out of its new premises at Grand Canal Street Upper, Dublin 4. We have recruited a highly rated and experienced management team headed by Declan Fitzpatrick, who is very well known among mortgage intermediaries. Nua Homeloans held a very successful "launch" at the Shelbourne Hotel on 4th April which was attended by over 250 mortgage intermediaries and guests.

Despite some recent adverse press commentary on the equity release market, our lifetime mortgage business remained strong in the first quarter of 2007.

Subsequent to the period end, we raised an additional €2.4m (Â£1.68m) to finance the further development of the home reversion and sub-prime mortgage businesses in Ireland.

The Group continues to evaluate other opportunities in niche retail financial services in the Irish market.

William Kane

Chairman and Chief Executive

Finance Ireland PLC
Consolidated Profit and Loss Account
For the 6 months ended 31 December 2006
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	6 months Ended 31 December 2006 €'000	Year Ended 30 June 2006 €'000
Interest income	620	90
Interest expense and similar charges	(620)	(81)
	-----	-----
Net interest income	-	9
Other operating income	119	7
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Total operating income	119	16

Administrative expenses	(1,016)	(276)
Amortisation of goodwill	(187)	(63)
	-----	-----
Loss on ordinary activities before taxation	(1,084)	(323)
Tax on loss on ordinary activities	-	-
	-----	-----
Loss after tax	(1,084)	(323)
	=====	=====
Basic and diluted loss per ordinary share cent	(1.0)	(1.4)
	=====	=====

Consolidated Statement of Total Recognised Gains and Losses

	6 months Ended 31 December 2006 €'000	Year Ended 30 June 2006 €'000
Loss after tax	(1,084)	(323)
Exchange gain arising on translation on consolidation	14	17
Surplus on revaluation	632	250
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Total recognised gains and losses	(438)	(56)
	=====	=====

The operating loss for the year arises from the Group's continuing operations.

Finance Ireland PLC
Consolidated Balance Sheet as at 31 December 2006

	31 December 2006 €'000	30 June 2006 €'000
Assets		
Home reversions interests	7,431	6,903
Tangible assets	94	116
Intangible assets	19	27
Goodwill	7,257	7,444
Customer advances	26,223	10,562
Debtors	101	261
Investment in Subsidiary	687	-
Investment in Joint Venture	40	-
Cash at bank and in hand	3,367	4,426
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Total Assets	45,219	29,739
	=====	=====
Liabilities		
Creditors	1,198	427
Long term bank loans	31,216	16,069
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Total Liabilities	32,414	16,496
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Shareholders' Equity		
Called up share capital	1,330	1,330

Share premium account	12,168	12,168
Profit and loss account	(1,390)	(505)
Revaluation reserve	697	250
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Total shareholders' equity	12,805	13,243
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Total liabilities and shareholders' equity	45,219	29,739
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Finance Ireland plc

Consolidated Cash Flow Statement for the period ended 31 December 2006

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	31 December 2006 €'000	30 June 2006 €'000
Net cash outflow from operating activities	(342)	(924)
Returns on investments and servicing of finance		
Disposal of Tangible Assets	10	-
Cash Balances acquired on acquisition of subsidiary	-	-
Investment in Subsidiary	(687)	-
Investment in Joint Venture	(40)	-
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Net cash used in investing activities	(717)	3,630
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Financing		
Issue of warrants	-	696
Costs of share issue	-	(449)
	-----	-----
Net cash inflow from financing	(-)	247
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Net (decrease)/increase in cash	(1,059)	2,953
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The audited results for the six months ended 31 December 2006 were approved by the board of Directors on 25th April 2007.

Availability of document:

Copies of this announcement are available from the Group at Grand Canal House, Upper Grand Canal Street, Dublin 4, Ireland. The Group's annual report and accounts for the six months ended 31 December 2006 will be sent to shareholders on or before 30th April 2007 and is available to members of the public from the following address: Grand Canal House, Upper Grand Canal Street, Dublin 4, Ireland.

This information is provided by RNS
The company news service from the London Stock Exchange

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